## Coughing All the Way to the Bank

E. Claiborne Robins makes his living selling cough medicine. Which, believe it or not, makes the tall, graying 62-year-old chairman of A.H. Robins Co. of Richmond, Va., maker of Robitussin cough syrup, one of the richest men in the U.S. His family of five holds Robins stock alone worth $330 million. A paper fortune? True, but against a faltering market Robins' stock is up from 15 to 40 since 1971.

In a decade A.H. Robins has tripled sales to $167 million and quadrupled net to $22.8 million. Robitussin, grossing $15 million, is the top U.S. cough mixture, comfortably ahead of Vicks NyQuil. Last year Robins was fourth among drug companies in new prescriptions, up from seventh in 1962. Says Robins, "I dream of being No. One in the drug industry."

If you've never heard of Claiborne Robins, it's because, as he says, "I'm just a simple, unexciting fellow"—whose idea of a big night is entertaining drug salesmen at his Virginia Beach cottage. The inheritor of a near-bankrupt pharmacy in 1933, he loves to tell how his mother saved the business when his father died, of the high school teacher who taught him about integrity and devotion to duty ("Why, tears still come to my eyes just thinking about it"). His one big splash came when he gave $50 million in Robins stock to his alma mater, the little University of Richmond. "I must have given the university $75 million so far," he says.


Robins of A.H. Robins

What's the secret of Robins' success? For one thing, the company spends 5.1% on R&D, *vs.* a 10% industry average, but gets an edge by buying licenses for drugs developed abroad. This summer he expects to market Pondimin, a French appetite suppressant that, unlike amphetamines, is said to have few side effects. With 27 million Americans spending $75 million a year—much of it on drugs—to lose weight, Robins thinks "Pondimin could be significant for us."

More important still is Robins' flair for getting close to doctors and pharmacists. Besides giving fat markups and taking back unsold products, Robins runs ads praising hard-working doctors, gives awards and junkets to the doctor and pharmacist judged the best in his state.

Are Robins products more than old-fashioned nostrums? The Food & Drug Administration tested 17 Robins products, challenged the efficacy of nine. This spring an adverse FDA ruling against Robins Dimetapp Extentabs antihistamine (6.6% of sales) forced last-minute cancellation of a 1.3-million-share secondary issue by Claiborne Robins and the university.

But that does not make the Robins fortune any less impressive.

## White Elephant Hunt

In the wake of the conglomerates' acquisition splurge of the late Sixties and the economic recession of 1970-71, companies have been unloading outmoded and unprofitable plants on a grand scale. For their stockholders it has often been painful, what with write-downs and capital losses. But it has been a positive boon for Raymond P. Park. Park's specialty is buying up unwanted plants, selling the equipment and then leasing or selling off the plant to others at a profit. In the past year alone he has picked up eight plants from companies like Gulf & Western and Wean United. He won't reveal the profits of his Park Corp., of which he owns 90%, but he will say that since entering this business in the late Fifties he has piled up a net worth of more than $12 million.

"We've had some tough times," says Park, 47, "but I have never lost money on a plant deal. And it's getting easier today, what with conglomerates trying to unload divisions that didn't pan out and defense companies trimming back for lack of new contracts."

Park was running a small lumber mill in Eureka, Calif. in 1958 when Georgia-Pacific Corp. decided to sell off a competing plant. To prevent competition from moving in, Park bought the plant for $50,000 down, subdivided the space and made a good profit. "One thing led to another," he says. "As long as plants are being built, others will be shutting down."

Park, for example, turned another Georgia-Pacific plant into a shopping center. He took an obsolete plant of Ohio Steel Co., fixed it up with a general face-lifting and sold it three years later at a 100% gain. But by far his biggest white elephant was the Charleston (W. Va.) Ordnance Center he bought from FMC Corp. (Forbes, *May 1*) in 1971 for $4.5 million. FMC simply couldn't keep this gigantic plant busy; it sprawls over 2 million square feet, the equivalent of 34 city blocks. Park has renovated and relighted much of it and signed up nine new tenants ranging from a builder of bridge trusses to a carpet dealer. Says Park: "It would take $100 million to duplicate a factory like this today." ■


Park of Park Corp.

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